GOVERNMENT OF INDIA
SHIPPING, ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

UNSTARRED QUESTION NO:324
ANSWERED ON:02.03.2005
SETTING UP OF SHIPPING REGULATOR
Gadhavi Shri Pushpdan Shambhudan

Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the Government has received a large number of representations suggesting for the setting up of a shipping regulator to control steep increase in freight charges with a view to protect the interest of porters;

(b) if so, the details thereof;

(c) whether the freight rate has been skyrocketing for the last three years;

(d) if so, the action taken by the Government to control frequent increase in freight charges by setting up the shipping regulator; and

(e) the steps Government proposes to take to modernize various ports in Gujarat?

Answer

MINISTER OF SHIPPING, ROAD TRANSPORT & HIGHWAYS (SHRI T.R. BAALU)

(a) Yes, Sir.

(b) to (d) These representations suggest setting up a regulatory mechanism to monitor trade practices, freight and various charges like Terminal Handling Charges, documentation charges, Inland Haulage charges, Transport & Bunker surcharges and Currency Adjustment Factor etc. Freight rates are determined by global market forces where the Government do not have any role to play. For other charges and trade practices, a transparent and conciliating mechanism, if in place, can check ad-hoc practice of levying charges at will and thereby protect the interests of shippers.

(e) There is one Major port in Gujarat namely, Kandla Port which is under the administrative control of the Central Government. Development and modernisation of Major Ports is an on-going process to cope with the demands of Maritime Trade. Towards this end, an outlay of Rs. 416.71 crores has been approved for development and modernisation of Kandla Port Trust during the 10th Five Year Plan. Ports other than major ports are under the overall jurisdiction of the respective State Governments in whom the responsibility for their development and modernisation vests.